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DEPARTMENT OF EDUCATION

34 CFR Chapter III

[Docket ID ED-2016-OSERS-0022]

Final priorities, requirements, and definition--Disability
Innovation Fund--Transition Work-Based Learning Model
Demonstrations

[CFDA Number: 84.421B.]

AGENCY: Office of Special Education and Rehabilitative
Services, Department of Education.

ACTION: Final priorities, requirements, and definition.

SUMMARY: The Assistant Secretary for Special Education and
Rehabilitative Services announces priorities, requirements,
and a definition under the Disability Innovation Fund (DIF)
Program. The Assistant Secretary may use these priorities,
requirements, and definition for competitions in fiscal
year (FY) 2016 and later years. The Assistant Secretary
takes this action to identify, develop, implement, and
evaluate work-based learning models that are supported by
evidence and will help students with disabilities prepare
for postsecondary education and competitive integrated
employment. The models must be delivered through a
coordinated system of transition services.

EFFECTIVE DATE: The priorities, requirements, and definition are effective [October 9, 2016.

FOR FURTHER INFORMATION CONTACT: RoseAnn Ashby, U.S. Department of Education, Rehabilitation Services Administration, 400 Maryland Avenue, SW., room 5057, Potomac Center Plaza, Washington, DC 20202-2800. Telephone: (202) 245-7258, or by email: roseann.ashby@ed.gov.

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SUPPLEMENTARY INFORMATION:

Purpose of Program: The purpose of the DIF Program, as provided by the Consolidated Appropriations Act, 2015 (Pub. L. 113-235), is to support innovative activities aimed at improving the outcomes of "individuals with disabilities," as defined in section 7(20)(A) of the Rehabilitation Act of 1973, as amended (Rehabilitation Act) (29 U.S.C. 705(20)(A)).

Program Authority: Consolidated Appropriations Act, 2015 (Pub. L. 113-235).

We published a notice of proposed priorities, requirements, and definitions (NPP) for this competition in the Federal Register on April 13, 2016 (81 FR 21808). That

notice contained background information and our reasons for proposing the particular priorities, requirements, and definitions.

Public Comment: In response to our invitation in the NPP, 10 parties submitted comments on the proposed priorities, requirements, and definitions. We group major issues according to subject. Generally, we do not address technical and other minor changes, or suggested changes the law does not authorize us to make under the applicable statutory authority. In addition, we do not address general comments that raised concerns not directly related to the priorities.

Analysis of Comments and Changes: An analysis of the comments and of any changes in the priorities, requirements, and definitions since publication of the NPP follows.

PRIORITY 1

General

Comment: None.

Discussion: Upon review of the requirements for proposed Priority 1, we became aware that to ensure the replicability of the project model, we needed to clarify that the proposed project design must be replicable in

similar contexts and settings and implemented at multiple local sites.

Changes: We have specified in the first sentence in paragraph (a) of the requirements for Priority 1 that the proposed project design must be replicable in similar contexts and settings. For emphasis, we also moved the requirement that the model be implemented at multiple local sites from the end of proposed paragraph (b) to the end of paragraph (a). In addition, we clarified in paragraph (a) of the requirements of Priority 1 that evidence of strong theory is required for the project design.

Comment: None.

Discussion: Upon review of Priority 1, we became aware that we needed to eliminate possible confusion about what is meant by the word "effective" and more accurately reflect the purpose of Priority 1.

The term "effective" in the context of education research and evaluation usually means that a high-quality study was conducted to assess the effectiveness of an intervention. While the purpose of Priority 1 is to build the evidence base and identify and demonstrate work-based learning interventions that are supported by evidence for students with disabilities, the priority does not require that the proposed interventions to be implemented under

the project's model be supported by a specific level of effectiveness determined by a high-quality study.

Accordingly, we believe that the term "supported by evidence" more accurately reflects the intent of the priority.

Changes: We have replaced the word "effective" with "supported by evidence" throughout the priority and requirements when referring to the applicant's proposed strategies, model, or project.

Comments: None

Discussion: Upon further review of the notice, we removed the second sentence in paragraph (i)(2) of Requirements for Priority 1 because the summative evaluation is not an effectiveness evaluation and would not statistically prove the effectiveness of the model. Also, the intent of this sentence was redundant with paragraph (j) of the requirements for Priority 1.

Changes: We deleted the second sentence in paragraph (i)(2) under the Requirements for Priority 1.

Eligible Applicants and Partners

Comment: One commenter stated that eligible applicants should include secondary schools and school districts. The commenter indicated that secondary schools are developing many great programs to provide career pathways and

successful transitions to college and careers for students with disabilities.

Discussion: We recognize the importance of the partnerships between State vocational rehabilitation (VR) agencies and secondary schools or school districts in implementing strategies designed to successfully transition students with disabilities to college and careers.

However, the purpose of Priority 1 is to identify models that State VR agencies will be able to replicate. We believe that the best way to accomplish this objective is to require the applicant to be a State VR agency working in collaboration with other key partners. This will allow the VR agency to make use of the expertise and experience of multiple partners and to implement models in multiple settings. Each applicant is required to develop a partnership, and chief among these partners are local educational agencies (LEAs).

Changes: None.

Comment: One commenter asked that the Department include national and community-based nonprofit organizations as eligible applicants. Although work-based learning is carried out at the local level, the commenter indicated that the bulk of the work--recruiting individuals with disabilities, connecting individuals to community work-

based learning experiences, and providing follow-along supports--is actually done by service providers. In addition, the commenter stated that limiting eligible applicants to State VR agencies would narrow the ability of the Department to evaluate specific strategies with different populations in different parts of the country. The commenter explained that a national organization could, for example, operate a multi-community, multi-State demonstration to effectively evaluate work-based learning strategies on a large and diverse scale.

Discussion: We recognize the important role that service providers play in facilitating and supporting work-based learning experiences in the community. Nevertheless, as discussed earlier, we have decided to limit eligible applicants to State VR agencies because the purpose of Priority 1 is to identify models that State VR agencies will be able to replicate. Limiting applicants to State VR agencies will not narrow the ability of the Department to evaluate specific strategies with different populations in different parts of the country. Rather than having one national grant with multiple local sites, we elected to have multiple grants, each of which may propose variations in the evaluations conducted. These may require different methodologies and may lead to different, but nonetheless

comparable, findings for specific populations in a variety of contexts.

Changes: None.

Comment: Given the emphasis on coordinated systems, interagency collaboration, and effective intervention at an individual and local level, one commenter asked whether the Department anticipates funding projects at a local or State level. The commenter further asked whether the Department will fund multiple-State consortia in this competition.

Discussion: The Department understands the importance of coordinated systems, interagency collaboration, and effective intervention at the individual, local, and State levels. While the eligible applicant is the State VR agency, the projects themselves would be carried out at the local level in collaboration with LEAs or, where appropriate, State educational agencies (SEAs) and other local partners. Given the limited funds that are available for this competition, we will only be able to support a small number of projects, depending on their scope and intensity. Funding multiple-State consortia would further limit the number of projects awarded and the number and variety of work-based learning models that they will produce.

Changes: None.

Comment: One commenter recommended that the required partners specifically be expanded to include disability service providers. The commenter listed several places in the requirements for Priority 1 where the term "disability service providers" should be included because the commenter wanted disability service providers to be involved in as many aspects of the project as possible.

Discussion: We recognize the important role that disability service providers and other community service providers play in assisting students with disabilities to achieve their educational and employment goals. Thus, the requirement to establish partnerships in developing and implementing a project's model in paragraph (c) of the requirements for Priority 1 includes "providers or other agencies that are critical to the development of work-based learning experiences in integrated settings for students with disabilities." However, we believe that applicants should have the flexibility to determine which providers these are, as well as the extent to which disability service providers or other agencies are critical to the development of work-based learning experiences in the community.

Changes: None.

Target Population

Comment: One commenter asked for clarification as to how Priority 1 will address the needs of out-of-school youth and young adults.

Discussion: The focus of this priority is students with disabilities. We believe that out-of-school youth and young adults would benefit from successful work-based learning opportunities that are developed and evaluated through these priorities; however, the narrower scope of these models, focusing specifically on students with disabilities, will help to ensure the rigorous evaluation of the models.

Changes: None.

Comment: One commenter requested that the Department revise Priority 1 to require applicants to develop and implement project designs that improve outcomes for students with disabilities, including low-incidence populations such as students who are deaf or hard of hearing. The commenter would also establish partnerships with entities or specific individuals with expertise in developing, evaluating, and disseminating innovative strategies for serving individuals from low-incidence populations, including students who are deaf or hard of hearing.

Discussion: The Department appreciates the commenter's interest in ensuring that the projects funded under this priority are designed to address work-based learning experiences for students with low-incidence disabilities. Nothing precludes an applicant from proposing to serve individuals from low-incidence populations, such as students who are deaf or hard of hearing. However, the Department declines to require all applicants to design projects to serve any specific disability population or place greater importance on serving one population over another under these priorities.

Changes: None.

Work-based Learning Experiences

Comment: One commenter recommended that work performed through work-based learning experiences be financially compensated. For example, the commenter stated that internships and apprenticeships should be paid work experiences.

Discussion: We are aware that research in this field indicates that paid work experiences result in better employment outcomes for youth with disabilities than do unpaid work experiences. Therefore, paragraph (e) of the requirements for Priority 1 requires that at least one of a student's work experiences be a paid experience. While

we encourage grantees to arrange for paid work experiences whenever possible, we do not want to preclude a grantee from providing an unpaid work-based learning experience that would be beneficial and appropriate to the student's goals, particularly in instances where a paid work experience is unavailable.

Changes: None.

Comment: One commenter asserted that the proposed requirements for Priority 1 should include an increased emphasis on engaging people with disabilities in innovation, similar to investments in science, technology, engineering, and mathematics (STEM) skills, such as "creativity/making" skills and entrepreneurial skills.

Discussion: We agree that students with disabilities should be exposed to a wide variety of work-based learning experiences, including those in innovative fields (i.e., STEM) and those involving entrepreneurship skills. Work-based learning experiences supported under this priority should take into consideration the student's career interests and goals, which may include some of the innovative fields and entrepreneurship skills that the commenter described, as well as information about labor market demand and career pathways. We disagree with the commenter, however, that we should emphasize innovation

and entrepreneurship above other areas of career focus because that would unnecessarily limit both the scope of the projects proposed and the work-based learning experiences available to students with disabilities.

Changes: None.

Comment: One commenter asserted that it is critically important that any work-based learning program funded and evaluated by the Department include access to programs that ensure that work disincentives created by receiving benefits and assistance under Supplemental Security Income or Social Security Disability Insurance do not prevent young adults with disabilities from seeking employment.

Discussion: We agree that a grantee may implement strategies or activities that address potential work disincentives that discourage a student with a disability from seeking employment. Nothing in Priority 1 would preclude an applicant from forming partnerships with other providers or programs that work in this area.

Changes: None.

Comment: One commenter requested that instead of including transportation as an optional support service in paragraph (g) of the requirements for Priority 1, the Department require grantees to provide transportation education and travel training within their demonstrations. The commenter

stated that adding a specific project requirement for transportation education would ensure that individuals participating in the demonstration projects have access to and know how to use transportation, both in the short-term (during their work-based learning opportunities) and in the long-term (when they transition into employment or post-secondary education). The commenter added that in the explanatory statement accompanying the Consolidated Appropriations Act, 2015, Congress highlighted the importance of transportation in transition outcomes and directed the Department to collaborate with transportation experts and implement transportation strategies.

Discussion: The Department agrees that transportation services, including education and travel training, are important services and can help many students with disabilities succeed in work-based learning.

Transportation services are not optional, as the commenter suggested. Paragraph (g) of the requirements for Priority 1 requires the applicant to identify and provide support services, including transportation services, needed to ensure the student's success in participating in work-based learning experiences. The phrase "as appropriate" in the context of this requirement does not make a project's provision of transportation services optional. Rather, we

recognize that not all project participants will require transportation services or the same types of transportation services. Projects are required to provide transportation services to all students with disabilities who may require such services to be successful in their work-based learning experiences. However, to address the commenters' concerns, we have modified paragraph (g) to make it clear that transportation services may include transportation education and travel training.

Changes: We have modified paragraph (g) in the requirements for Priority 1 to include transportation education and travel training as examples of transportation services that may be provided to ensure the student's success in participating in work-based learning experiences.

Other

Comment: One commenter expressed concerns about the scope of the data required to be collected and specifically requested that data be collected on the type of assistive technology used by participants and the assistive technologies requested but not acquired.

Discussion: We agree that assistive technology allows many students with disabilities to achieve their education and employment goals and that providing access to

assistive technology is a necessary element of any transition model. In recognition of assistive technology's importance, paragraph (h) of the requirements for Priority 1 requires the project to identify and provide or arrange for accommodations or assistive technology needed to ensure the student's success in participating in work-based learning experiences. The purpose of these priorities is to evaluate the extent to which the project's model of coordinated work-based learning practices and strategies helps ensure that students with disabilities are prepared for postsecondary education and competitive integrated employment. Thus, we would expect grantees to document the services and supports provided to project participants, including the provision of assistive technology. However, we are not requiring grantees to evaluate the use of specific assistive technology because we expect the types of assistive technology used will vary with the needs of project participants. Therefore, there is no need to increase the scope of the required data collection described in paragraph (j) of Priority 1 to document whether the assistive technology requested by participants was acquired.

Changes: None.

Comment: One commenter asked that the Department make outcome data aggregated from the transition work-based learning model demonstrations publicly available so researchers and service providers nationwide can benefit from and create new best-practice strategies from this relevant information. This commenter observed that the DIF-funded demonstrations will represent one of the most significant and coordinated efforts to study models supported by evidence to improve transition outcomes.

Discussion: We agree with the commenter and will require grantees to make outcome data available to the Department in order to publish such data on the National Clearinghouse of Rehabilitation Training Materials (NCRTM) and other publicly available sources so that successful practices may be shared and available for replication.

Changes: We have added a new paragraph (k) to the requirements for Priority 1 to require grantees to provide outcome data to the Department for publication through the NCRTM.

PRIORITIES 2 AND 3

Comment: None.

Discussion: Upon review of Priority 2, we became aware that we needed to clarify the requirement that at least

one component of the proposed project must be supported by evidence of promise.

Change: We have revised Priority 2 by requiring evidence of promise for at least one key component and at least one relevant outcome in the logic model for their proposed project and made conforming changes to the application requirements.

Comment: A commenter observed that Priority 3 outlined multiple approaches to determine the quality of evidence but also stated that the field would better benefit from controlled studies of interventions. The commenter asked whether the Department intends for these projects to incorporate randomized control treatment designs.

Discussion: We are not requiring a randomized control treatment design but also do not want to discourage applicants from proposing this type of design. We have revised Priority 3 and its associated requirements to clarify that proposed evaluations designed to produce evidence of effectiveness and likely to meet the What Works Clearinghouse Evidence Standards, such as a randomized control treatment design, are also permitted. In short, we would encourage applicants to use the most appropriate and strongest research design to answer their research questions.

Changes: We have revised Priority 3 and paragraph (b) of its associated requirements to state that an applicant may propose an evaluation design that, if well implemented, is likely to meet the What Works Clearinghouse Evidence Standards.

FINAL PRIORITIES:

Priority 1: Transition Work-Based Learning Model Demonstrations.

We give priority to model demonstration projects designed to identify, develop, implement, and evaluate work-based learning models that are supported by evidence and will help ensure that students with disabilities are prepared for postsecondary education and competitive integrated employment. The model demonstration projects must provide work-based learning experiences, supported by evidence, in integrated settings, in coordination with other transition services, including pre-employment transition services, to students with disabilities, through State VR agencies, in collaboration with LEAs or, where appropriate, SEAs and other local partners.

Priority 2: Evidence of Promise Supporting the Proposed Model.

We give priority to applicants who propose projects supported by evidence of promise for at least one key

component and at least one relevant outcome in the logic model for their proposed project.

Priority 3: Project Evaluation Designed to Meet the What Works Clearinghouse Evidence Standards.

We give priority to applicants that propose to conduct a rigorous and well-designed evaluation of their completed model demonstration project that, if the research design is well implemented, would meet the What Works Clearinghouse Evidence Standards.

Types of Priorities:

When inviting applications for a competition using one or more priorities, we designate the type of each priority as absolute, competitive preference, or invitational through a notice in the Federal Register. The effect of each type of priority follows:

Absolute priority: Under an absolute priority, we consider only applications that meet the priority (34 CFR 75.105(c)(3)).

Competitive preference priority: Under a competitive preference priority, we give competitive preference to an application by (1) awarding additional points, depending on the extent to which the application meets the priority (34 CFR 75.105(c)(2)(i)); or (2) selecting an application that

meets the priority over an application of comparable merit that does not meet the priority (34 CFR 75.105(c)(2)(ii)).

Invitational priority: Under an invitational priority, we are particularly interested in applications that meet the priority. However, we do not give an application that meets the priority a preference over other applications (34 CFR 75.105(c)(1)).

FINAL REQUIREMENTS:

The Assistant Secretary announces the following project requirements for this competition. We may apply one or more of these requirements in any year in which this competition is in effect. Each of the following sets of requirements corresponds to one of the priorities.

Requirements for Priority 1:

To be considered for funding under Priority 1, applicants must describe their plans to carry out the following project requirements--

(a) Develop and implement a project design replicable in similar contexts and settings that is supported by strong theory. The model must be implemented at multiple local sites to ensure its replicability;

(b) Develop and implement a project demonstrating practices and strategies that are supported by evidence in the use of work-based learning experiences in integrated

settings within the local community to prepare students with disabilities for postsecondary education and competitive integrated employment;

(c) Establish partnerships with the LEA or, as appropriate, the SEA, institutions of higher education, employers, and providers or other agencies that are critical to the development of work-based learning experiences in integrated settings for students with disabilities. At a minimum, the partnership must include representatives from the LEA, workforce training providers (e.g., American Job Centers), and employers who will collaborate to develop and provide opportunities (such as internships, short-term employment, and apprenticeships) for students with disabilities served under the project;

(d) Provide career exploration and counseling to assist students in identifying possible career pathways (as defined in this notice) and the relevant work-based learning experiences;

(e) Develop work-based learning experiences in integrated settings, at least one of which must be a paid experience, that--

(1) Provide exposure to a wide range of work sites to help students make informed choices about career selections;

(2) Are appropriate for the age and stage in life of each participating student, ranging from site visits and tours, job shadowing, service learning, apprenticeships, and internships;

(3) Are structured and linked to classroom or related instruction;

(4) Use a trained mentor to help structure the learning at the worksite;

(5) Include periodic assessment and feedback as part of each experience; and

(6) Fully involve students with disabilities and, as appropriate, their representative in choosing and structuring their experiences;

(f) Provide instruction in employee rights and responsibilities, as well as positive work skills, habits, and behaviors that foster success in the workplace;

(g) Identify and provide support services, as appropriate, including transportation services (e.g., transportation education and travel training), that are needed to ensure the student's success in participating in work-based learning experiences;

(h) Identify and provide or arrange for accommodations or assistive technology needed to ensure the

student's success in participating in work-based learning experiences;

(i) Develop and implement a plan to measure the model demonstration project's performance and outcomes. A detailed and complete evaluation plan must include--

(1) A formative evaluation plan, consistent with the project's logic model, that--

(i) Includes evaluation questions, source(s) for data, a timeline for data collection, and analysis plans;

(ii) Shows how the outcome (e.g., postsecondary education and competitive integrated employment) and implementation data will be used separately or in combination to improve the project during the performance period; and

(iii) Outlines how these data will be reviewed by project staff, when they will be reviewed, and how they will be used during the course of the project to adjust the model or its implementation to increase the model's usefulness, replicability in similar contexts and settings, and potential for sustainability; and

(2) A summative evaluation plan, including a timeline, to collect and analyze data on students and their outcomes over time, both for students with disabilities

served by the project and for students with disabilities in a comparison group not receiving project services.

(j) Collect data necessary to evaluate the outcomes of the project, including the progress of the project in achieving its goals and outcomes, which, at a minimum, must include:

(1) The relevant available RSA-911 Case Service Report data for each student in the project;

(2) The number of students in the work-based learning project;

(3) The number of students in the project who complete at least one work-based learning experience;

(4) The number of work-based learning experiences that each student completes during the project;

(5) The types of work-based learning experiences in which students participated;

(6) The number of students who attain a recognized post-secondary credential and the type of credentials attained;

(7) The number of students who obtain competitive integrated employment; and

(8) An unduplicated count of students who obtain a recognized postsecondary credential and competitive integrated employment.

(k) Make outcome data available to the Department for publication through the National Clearinghouse of Rehabilitation Training Materials.

To be considered for funding under Priority 1, an applicant also must provide the following with its application:

(a) A detailed review of the literature that describes the evidence base for the proposed demonstration project, its components, and strategies for work-based learning experiences for students with disabilities;

(b) A logic model;

(c) A description of the applicant's plan for implementing the project, including a description of--

(1) A cohesive, articulated model of partnership and coordination among the participating agencies and organizations;

(2) The coordinated set of practices and strategies that are supported by evidence in the use and development of work-based learning models that are aligned with employment, training, and education programs and reflect the needs of employers and of students with disabilities; and

(3) How the proposed project will--

(i) Involve employers in the project design and in partnering with project staff to develop integrated job shadowing, internships, apprenticeships, and other paid and unpaid work-based learning experiences that are designed to increase the preparation of students with disabilities for postsecondary education and competitive integrated employment;

(ii) Conduct outreach activities to identify students with disabilities whom the work-based learning experiences would enable them to achieve competitive integrated employment; and

(iii) Identify innovative strategies, including development, implementation, and evaluation of approved models, methods, and measures that will increase the preparation of students with disabilities for postsecondary education and competitive integrated employment;

(d) A description of the methods and criteria that will be used to select the site(s) at which the project activities will be implemented;

(e) Documentation (e.g., letter of support or draft agreement) that the State VR agency has specific agreements with its partners in the development and implementation of the project;

(f) A plan for evaluating the project's performance, including an evaluation of the practices and strategies implemented by the project, in achieving project goals and objectives.

Specifically, the evaluation plan must include a description of--

(1) A formative evaluation plan, consistent with the project's logic model that includes the following:

(i) The key questions to be addressed by the project evaluation and the appropriateness of the methods for how each question will be addressed;

(ii) How the methods of evaluation will provide valid and reliable performance data on relevant outcomes, particularly postsecondary and competitive integrated employment outcomes, including the source(s) for the data and the timeline for data collection;

(iii) A clear and credible analysis plan, including a proposed sample size and minimum detectable effect size that aligns with the expected project impact, and an analytic approach for addressing the research questions; and

(iv) How the key components of the project, as well as a measurable threshold for acceptable implementation and

outcome data, will be reviewed and used to improve the project;

(2) A summative evaluation plan, including--

(i) How the outcomes and implementation data collected by the project will be used, separately or in combination, to demonstrate that the goals of the model were met;

(ii) How the outcomes for students with disabilities served by the project will be compared with the outcomes of students with disabilities not receiving project services.

(g) A plan for systematic dissemination of project findings, templates, resources, and knowledge gained that will assist State and local VR and educational agencies in adapting or replicating the model work-based learning demonstration developed and implemented by the project, which could include elements such as development of a Web site, resources (e.g., toolkits), community of practice, and participation in national and State conferences;

(h) An assurance that the employment goal for all students served under Priority 1 will be competitive integrated employment, including customized or supported employment; and

(i) An assurance that the project will collaborate with other work-based learning initiatives.

Requirements for Priority 2:

To meet Priority 2, applicants must meet the following requirements:

(a) Applicants must identify and include a detailed discussion of up to two cited studies that meet the evidence of promise standard for at least one key component and at least one relevant outcome in the logic model for the proposed project. Both the critical component(s) and relevant outcome(s) must be specified for each study cited.

(b) The full names and links for the citations submitted for this priority must be provided on the Abstract and Information page of the application, or the full text of each study cited must be provided.

(c) Applicants must specify on the Abstract and Information page the findings in the studies that are cited as evidence of promise for the key component(s) and relevant outcome(s) and ensure that the citations and links are from publicly or readily available sources. Studies of fewer than 10 pages may be attached in full under Other Attachments in Grants.gov.

Requirements for Priority 3:

To meet Priority 3, applicants must describe in their applications how they would meet the following competition requirements:

(a) Conduct an independent evaluation (as defined in this notice) of its project. This evaluation must estimate the impact of the project on a relevant outcome.

(b) Use an evaluation design that, if well implemented, is likely to meet the What Works Clearinghouse Evidence Standards.

(c) Make broadly available the results of any evaluations it conducts of its funded activities, digitally and free of charge, through formal (e.g., peer-reviewed journals) or informal (e.g., newsletters) mechanisms. The grantee must also ensure that the data from its evaluation are made available to third-party researchers consistent with applicable privacy requirements.

(d) Cooperate on an ongoing basis with any technical assistance provided by the Department or its contractor and comply with the requirements of any evaluation of the program conducted by the Department.

FINAL DEFINITIONS

We announce one new definition for use in connection with the priorities. The remaining definitions listed in the NPP and used in the final priorities and requirements in this notice are established defined terms in the Workforce Innovation and Opportunity Act (WIOA), the Rehabilitation Act, or 34 CFR part 77 and are provided in

the notice inviting applications published elsewhere in this issue of the Federal Register. Specifically, the definitions for the terms "evidence of promise," "logic model," "randomized controlled trial," "relevant outcome," "quasi-experimental design study," and "strong theory" are from 34 CFR part 77.

Definition:

The Assistant Secretary announces the following definition for this competition. We may apply this definition in any year in which this program is in effect.

Independent evaluation means an evaluation that is designed and carried out independent of, and external to, the grantee but in coordination with any employees of the grantee who develop a process, product, strategy, or practice that is currently being implemented as part of the grant's activities.

This notice does not preclude us from proposing additional priorities, requirements, definitions, or selection criteria, subject to meeting applicable rulemaking requirements.

Note: This notice does not solicit applications. In any year in which we choose to use these priorities, requirements and this definition, we invite applications through a notice in the Federal Register.

Executive Orders 12866 and 13563

Regulatory Impact Analysis

Under Executive Order 12866, the Secretary must determine whether this regulatory action is "significant" and, therefore, subject to the requirements of the Executive order and subject to review by the Office of Management and Budget (OMB). Section 3(f) of Executive Order 12866 defines a "significant regulatory action" as an action likely to result in a rule that may--

(1) Have an annual effect on the economy of \$100 million or more, or adversely affect a sector of the economy, productivity, competition, jobs, the environment, public health or safety, or State, local, or tribal governments or communities in a material way (also referred to as an "economically significant" rule);

(2) Create serious inconsistency or otherwise interfere with an action taken or planned by another agency;

(3) Materially alter the budgetary impacts of entitlement grants, user fees, or loan programs or the rights and obligations of recipients thereof; or

(4) Raise novel legal or policy issues arising out of legal mandates, the President's priorities, or the principles stated in the Executive order.

This final regulatory action is not a significant regulatory action subject to review by OMB under section 3(f) of Executive Order 12866.

We have also reviewed this final regulatory action under Executive Order 13563, which supplements and explicitly reaffirms the principles, structures, and definitions governing regulatory review established in Executive Order 12866. To the extent permitted by law, Executive Order 13563 requires that an agency--

(1) Propose or adopt regulations only upon a reasoned determination that their benefits justify their costs (recognizing that some benefits and costs are difficult to quantify);

(2) Tailor its regulations to impose the least burden on society, consistent with obtaining regulatory objectives and taking into account--among other things and to the extent practicable--the costs of cumulative regulations;

(3) In choosing among alternative regulatory approaches, select those approaches that maximize net benefits (including potential economic, environmental, public health and safety, and other advantages; distributive impacts; and equity);

(4) To the extent feasible, specify performance objectives, rather than the behavior or manner of compliance a regulated entity must adopt; and

(5) Identify and assess available alternatives to direct regulation, including economic incentives--such as user fees or marketable permits--to encourage the desired behavior or provide information that enables the public to make choices.

Executive Order 13563 also requires an agency "to use the best available techniques to quantify anticipated present and future benefits and costs as accurately as possible." The Office of Information and Regulatory Affairs of OMB has emphasized that these techniques may include "identifying changing future compliance costs that might result from technological innovation or anticipated behavioral changes."

We are issuing these final priorities, requirements, and definitions only on a reasoned determination that their benefits justify their costs. In choosing among alternative regulatory approaches, we selected those approaches that maximize net benefits. Based on the analysis that follows, the Department believes that this regulatory action is consistent with the principles in Executive Order 13563.

We also have determined that this regulatory action does not unduly interfere with State, local, and tribal governments in the exercise of their governmental functions.

In accordance with both Executive orders, the Department has assessed the potential costs and benefits, both quantitative and qualitative, of this regulatory action. The potential costs are those resulting from statutory requirements and those we have determined as necessary for administering the Department's programs and activities.

Intergovernmental Review: This competition is subject to Executive Order 12372 and the regulations in 34 CFR part 79. However, under 34 CFR 79.8(a), we waive intergovernmental review in order to make an award by the end of FY 2016.

Accessible Format: Individuals with disabilities can obtain this document in an accessible format (e.g., braille, large print, audiotape, or compact disc) on request to the program contact person listed under FOR FURTHER INFORMATION CONTACT.

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Dated: July 26, 2016.

Sue Swenson,
Acting Assistant Secretary for
Special Education and
Rehabilitative Services.

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